

FINANCE CODE

TITLE 3. FINANCIAL INSTITUTIONS AND BUSINESSES

SUBTITLE Z. MISCELLANEOUS PROVISIONS RELATING TO FINANCIAL
INSTITUTIONS AND BUSINESSES

CHAPTER 281. PROTECTION OF VULNERABLE ADULTS FROM FINANCIAL
EXPLOITATION

The following section was amended by the 87th Legislature. Pending publication of the current statutes, see H.B. [4477](#), 87th Legislature, Regular Session, for amendments affecting the following section.

Sec. 281.001. DEFINITIONS. In this chapter:

(1) "Department" means the Department of Family and Protective Services.

(2) "Exploitation" means the act of forcing, compelling, or exerting undue influence over a person causing the person to act in a way that is inconsistent with the person's relevant past behavior or causing the person to perform services for the benefit of another person.

(3) "Financial exploitation" means:

(A) the wrongful or unauthorized taking, withholding, appropriation, or use of the money, assets, or other property or the identifying information of a person; or

(B) an act or omission by a person, including through the use of a power of attorney on behalf of, or as the conservator or guardian of, another person, to:

(i) obtain control, through deception, intimidation, fraud, or undue influence, over the other person's money, assets, or other property to deprive the other person of the ownership, use, benefit, or possession of the property; or

(ii) convert the money, assets, or other property of the other person to deprive the other person of the ownership, use, benefit, or possession of the property.

(4) "Financial institution" has the meaning assigned by Section [277.001](#).

(5) "Vulnerable adult" means:

(A) an elderly person as that term is defined by

Section 48.002, Human Resources Code;

(B) a person with a disability as that term is defined by Section 48.002, Human Resources Code; or

(C) an individual receiving services as that term is defined by rule by the executive commissioner of the Health and Human Services Commission as authorized by Section 48.251(b), Human Resources Code.

Added by Acts 2017, 85th Leg., R.S., Ch. 376 (H.B. 3921), Sec. 1, eff. September 1, 2017.

Redesignated from Finance Code, Chapter 280 by Acts 2019, 86th Leg., R.S., Ch. 467 (H.B. 4170), Sec. 21.001(19), eff. September 1, 2019.

Sec. 281.002. REPORTING SUSPECTED FINANCIAL EXPLOITATION OF VULNERABLE ADULTS. (a) If an employee of a financial institution has cause to believe that financial exploitation of a vulnerable adult who is an account holder with the financial institution has occurred, is occurring, or has been attempted, the employee shall notify the financial institution of the suspected financial exploitation.

(b) If a financial institution is notified of suspected financial exploitation under Subsection (a) or otherwise has cause to believe that financial exploitation of a vulnerable adult who is an account holder with the financial institution has occurred, is occurring, or has been attempted, the financial institution shall assess the suspected financial exploitation and submit a report to the department in the same manner as and containing the same information required to be included in a report under Section 48.051, Human Resources Code. The financial institution shall submit the report required by this subsection not later than the earlier of:

(1) the date the financial institution completes the financial institution's assessment of the suspected financial exploitation; or

(2) the fifth business day after the date the financial institution is notified of the suspected financial exploitation under Subsection (a) or otherwise has cause to believe

that the suspected financial exploitation has occurred, is occurring, or has been attempted.

(c) A financial institution that submits a report to the department of suspected financial exploitation of a vulnerable adult under Subsection (b) is not required to make an additional report of suspected abuse, neglect, or exploitation under Section [48.051](#), Human Resources Code, for the same conduct constituting the reported suspected financial exploitation.

(d) Each financial institution shall adopt internal policies, programs, plans, or procedures for:

(1) the employees of the financial institution to make the notification required under Subsection (a); and

(2) the financial institution to conduct the assessment and submit the report required under Subsection (b).

(e) The policies, programs, plans, or procedures adopted under Subsection (d) may authorize the financial institution to report the suspected financial exploitation to other appropriate agencies and entities in addition to the department, including the attorney general, the Federal Trade Commission, and the appropriate law enforcement agency.

Added by Acts 2017, 85th Leg., R.S., Ch. 376 (H.B. [3921](#)), Sec. 1, eff. September 1, 2017.

Redesignated from Finance Code, Chapter [280](#) by Acts 2019, 86th Leg., R.S., Ch. 467 (H.B. [4170](#)), Sec. 21.001(19), eff. September 1, 2019.

Sec. 281.003. NOTIFYING THIRD PARTIES OF SUSPECTED FINANCIAL EXPLOITATION OF VULNERABLE ADULTS. If a financial institution submits a report of suspected financial exploitation of a vulnerable adult to the department under Section [281.002\(b\)](#), the financial institution may at the time the financial institution submits the report also notify a third party reasonably associated with the vulnerable adult of the suspected financial exploitation, unless the financial institution suspects the third party of financial exploitation of the vulnerable adult.

Added by Acts 2017, 85th Leg., R.S., Ch. 376 (H.B. [3921](#)), Sec. 1, eff. September 1, 2017.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 467 (H.B. 4170), Sec. 21.002(6), eff. September 1, 2019.

Redesignated from Finance Code, Chapter 280 by Acts 2019, 86th Leg., R.S., Ch. 467 (H.B. 4170), Sec. 21.001(19), eff. September 1, 2019.

The following section was amended by the 87th Legislature. Pending publication of the current statutes, see H.B. 4477, 87th Legislature, Regular Session, for amendments affecting the following section.

Sec. 281.004. TEMPORARY HOLD ON TRANSACTIONS IN CERTAIN CASES OF SUSPECTED FINANCIAL EXPLOITATION OF VULNERABLE ADULTS.

(a) Notwithstanding any other law, if a financial institution submits a report of suspected financial exploitation of a vulnerable adult to the department under Section 281.002(b), the financial institution:

(1) may place a hold on any transaction that:

(A) involves an account of the vulnerable adult;

and

(B) the financial institution has cause to believe is related to the suspected financial exploitation; and

(2) must place a hold on any transaction involving an account of the vulnerable adult if the hold is requested by the department or a law enforcement agency.

(b) Subject to Subsection (c), a hold placed on any transaction under Subsection (a) expires on the 10th business day after the date the financial institution submits the report under Section 281.002(b).

(c) The financial institution may extend a hold placed on any transaction under Subsection (a) for a period not to exceed 30 business days after the expiration of the period prescribed by Subsection (b) if requested by a state or federal agency or a law enforcement agency investigating the suspected financial exploitation. The financial institution may also petition a court to extend a hold placed on any transaction under Subsection (a) beyond the period prescribed by Subsection (b). A court may enter

an order extending or shortening a hold or providing other relief.

(d) Each financial institution shall adopt internal policies, programs, plans, or procedures for placing a hold on a transaction involving an account of a vulnerable adult under this section.

Added by Acts 2017, 85th Leg., R.S., Ch. 376 (H.B. 3921), Sec. 1, eff. September 1, 2017.

Redesignated from Finance Code, Chapter 280 by Acts 2019, 86th Leg., R.S., Ch. 467 (H.B. 4170), Sec. 21.001(19), eff. September 1, 2019.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 467 (H.B. 4170), Sec. 21.002(7), eff. September 1, 2019.

Sec. 281.005. IMMUNITY. (a) An employee of a financial institution who makes a notification under Section 281.002(a), a financial institution that submits a report under Section 281.002(b) or makes a notification to a third party under Section 281.003, or an employee who or financial institution that testifies or otherwise participates in a judicial proceeding arising from a notification or report is immune from any civil or criminal liability arising from the notification, report, testimony, or participation in the judicial proceeding, unless the employee or financial institution acted in bad faith or with a malicious purpose.

(b) A financial institution that in good faith and with the exercise of reasonable care places or does not place a hold on any transaction under Section 281.004(a)(1) is immune from any civil or criminal liability or disciplinary action resulting from that action or failure to act.

Added by Acts 2017, 85th Leg., R.S., Ch. 376 (H.B. 3921), Sec. 1, eff. September 1, 2017.

Redesignated from Finance Code, Chapter 280 by Acts 2019, 86th Leg., R.S., Ch. 467 (H.B. 4170), Sec. 21.001(19), eff. September 1, 2019.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 467 (H.B. 4170), Sec.

21.002(8), eff. September 1, 2019.

Sec. 281.006. RECORDS. To the extent permitted by state or federal law, a financial institution shall provide, on request, access to or copies of records relevant to the suspected financial exploitation of a vulnerable adult to the department, a law enforcement agency, or a prosecuting attorney's office, either as part of a report to the department, law enforcement agency, or prosecuting attorney's office or at the request of the department, law enforcement agency, or prosecuting attorney's office in accordance with an investigation.

Added by Acts 2017, 85th Leg., R.S., Ch. 376 (H.B. [3921](#)), Sec. 1, eff. September 1, 2017.

Redesignated from Finance Code, Chapter [280](#) by Acts 2019, 86th Leg., R.S., Ch. 467 (H.B. [4170](#)), Sec. 21.001(19), eff. September 1, 2019.